IN THE UNITED STATES BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE 2024 NOV | 2 AM | |: 00

In re:

Chapter 11

FTX TRADING LTD., et al,

Case No. 22-11068 (JTD

Debtors

(Jointly Administered)

CREDITOR'S RESPONSE TO DEBTORS' ONE HUNDRED SEVENTH (SUBSTANTIVE) OMNIBUS OBJECTION TO CERTAIN OVERSTATED AND/OR **UNLIQUIDATED PROOFS OF CLAIM (CUSTOMER CLAIMS)**

Claimant:

3Sigma Capital LLC

George Lazarides, President

Claim Number:

Electronic Proof of

Claim 3265-70-OLTPK-753645059[[CSALT#900807#CF]]

Claim number: 7595

Description for

Basis of Claim:

Claim for \$51,300, the full balance 3Sigma Capital LLC had with FTX Trading LTD as of November 9, 2022. On November 9, 2022, 3Sigma

LLC put in numerous requests to withdraw the entire balance, prior to the

collapse of FTX Trading LTD.

Contact Information: 3Sigma Capital LLC

George Lazarides, President

2033 Wichita Avenue Grafton, Wisconsin (262) 933-3264

info@3sigma.finance

Factual Basis and Legal Argument:

3Sigma Capital LLC (hereafter 3Sigma) algorithmically trades and manages cryptocurrency. As of November 9, 2022, 3Sigma had an account balance of \$51,300 with FTX Trading LTD on November 9, 2022, George Lazarides, on behalf of 3Sigma, initiated a withdrawal request for the full account balance of \$51,300. (See Exhibit 1) Mr. Lazarides made the withdrawal request with the reasonable expectation of timely processing as per standard financial practices. The request was never processed by FTX, and was ultimately canceled.

Two days later, on November 11, 2022, 3Sigma's account balance with FTX Trading LTD I had dropped to \$0. (Exhibit 2) Such a complete liquidation would not have occurred had FTX Trading LTD processed the withdrawal request within the reasonable processing time of standard financial practices. The delayed processing of this withdrawal request directly led to this unauthorized and detrimental action on our account.

It is clear that had FTX Trading, LTD fulfilled its most basic obligation to process the withdrawal request in a reasonably timely manner, as would be expected of any reputable financial platform, 3Sigma's account would have been secured before the onset of the full blown collapse of FTX Trading, LTD. The failure to do so directly resulted in the loss of our funds.

The confluence of FTX Trading LTD's failure to process the legitimate withdrawal request in a reasonably timely manner, the subsequent unauthorized actions on 3Sigma's account, and the platform's overall collapse has resulted in the unjust total loss of 3Sigma's funds. This series of events, initiated by FTX's inaction and exacerbated by their system failures, has caused 3Sigma Capital LLC significant financial harm.

Given these circumstances, it is clear that FTX Trading LTD bears complete responsibility for the loss of 3Sigma's funds. Their failure to execute a simple withdrawal request, followed by the restriction of normal account access and management, directly led to the dissipation of 3Sigma's account balance. The selection of November 11, 2022 as the date the account balances of creditors would be considered for relief serves only to protect the mismanaged platform of FTX Trading LTD and punish the good faith efforts of creditors such as 3Sigma. The arbitrary selection of a date to hide the result of malfeasance behind the actions that emptied the accounts of firms such as 3Sigma seems counter to the justified relief the courts may award to the aggrieved creditors. In short, the only thing that would make the claim of 3Sigma "overstated and/or unliquidated" is the strategically selected snapshot date that serves only to protect the perpetrators of massive malfeasance and to shut out firms like 3Sigma from recovering any recompense. Such a result would be counter to the protections smaller firms depend on the court to provide.

Exhibit 1

1. Screenshots of withdrawal request dated November 9, 2024

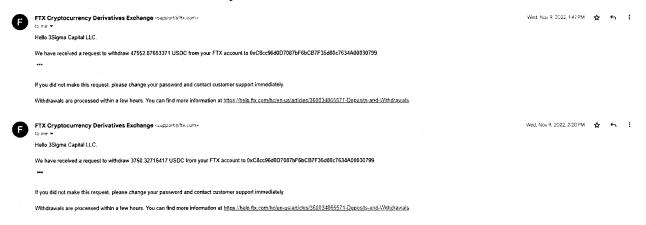
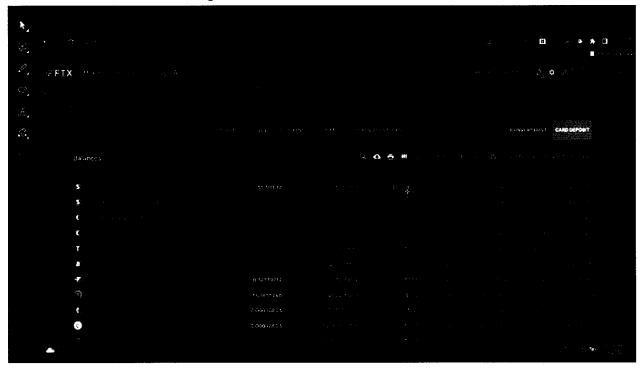


Exhibit 2

2. Account statements showing balance before November 11, 2024



3. Any communications from FTX regarding the withdrawal request or account issues

Relief Requested:

We respectfully request that the Court recognize our claim for the full amount of \$51,300, which represents the balance we attempted to withdraw on November 9, 2024.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief.

Respectfully submitted,

George Lazarides

On behalf of 3Sigma Capital LLC

cc: Sullivan & Cromwell LLP

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